

Legislative Notice

No. 51

July 25, 2002

S. 2708 – Department of the Interior and Related Agencies Appropriations Bill, FY 2003

Calendar No. 478

Reported by the Committee on Appropriations by a vote of 29-0 on June 28, 2002; S. Rept. 107-201.

NOTEWORTHY

- S. 2708 contains \$19.35 billion for Interior and Related Agencies, an amount which is \$179.2 million more than the 2002 appropriations and \$408 million more than the Administration's request. The funding total includes \$290 million in FY03 contingent emergency funds for fire suppression. [See chart of major items at the end of this Notice.]
- The Committee provides \$9.63 billion for Department of the Interior programs (Title I) and provides \$9.72 billion for the related agencies funded in this bill (Title II).
- Oil and gas leasing and other mineral leasing activities, recreation and user fees, the timber and range programs, and oil production from the naval petroleum reserves are estimated to generate income to the United States of \$6.15 billion in FY 2003, which is \$889 million less than that estimated for FY 2002.
- The bill continues the automatic renewal of grazing permits and leases that expire or are transferred until the permit renewal process is completed, including grazing permits for Forest Service lands.
- The House passed its Interior & Related Agencies funding bill, H.R. 5093, on July 17 by a vote of 377-46. That bill provides \$19.8 billion in FY03 funds, plus \$700 million in contingent emergency FY02 funds for fire suppression.

HIGHLIGHTS

S. 2708 provides funding for all of the agencies and bureaus of the Department of the Interior (except the Bureau of Reclamation), as well as for the following other agencies: Forest Service (an agency of the USDA); a number of programs under the Department of Energy, including the Strategic Petroleum Reserve account; Indian Health Service (under the Department of Health and Human Services); and a variety of cultural programs and agencies, including the Smithsonian Institution, National Gallery of Art, and the National Foundation on the Arts and Humanities.

- Among the agencies **funded higher than the Administration's request** are: **the Bureau of Land Management (BLM)** at \$54.6 million more than requested; **National Park Service** at \$17.9 million more than requested; **Bureau of Indian Affairs** at \$25 million more than requested; **Forest Service** at \$79.2 million more than requested; U.S. Geological Survey at \$59.3 million more than requested; **Indian Health Service** at \$24.6 million more than requested; and the **Department of Energy's programs** provided for in this bill at \$113.8 million more than requested.
- The **Fish and Wildlife Service** was funded at \$833,000 less than the amount requested.
- Within the funding for the BLM, S. 2708 recommends \$220 million for **Payments in Lieu of Taxes**, which is \$55 million more than the Administration request of \$165 million.
- Title VIII of the Interior and Related Agencies Appropriations Act of 2001 created a separate **conservation spending category** within the Budget Act. S. 2708 includes \$1.44 billion for programs that fall within that category, which is \$124 million above the President's request. An allocation of funds within this category can be found on page 5 of the Senate Committee Report. The category includes funds for federal land acquisition, Stateside Grants, State and other conservation programs, and Urban and Historic Preservation Programs, among other programs.
- The Committee provides \$1.37 billion for **wildland fire management** for the Forest Service (including \$290 million in FY03 contingent emergency funds), and provides an additional \$654 million for wildland fire management under the BLM (both amounts are about the same as the amounts requested).
- Secs. 107 through 110 of the bill prohibit the use of appropriated funds to conduct **lease sales and related activities** for certain areas offshore California, Florida and the Eastern Seaboard.

BILL PROVISIONS

Title I: Department of the Interior

The Committee provides \$9.63 billion for the Interior Department in FY 2003, \$176 million more than the Administration's request and \$130 million more than the amount appropriated for FY 2002.

Bureau of Land Management (BLM): The Committee recommends an appropriation of \$1.88 billion for BLM, an increase of \$54.6 million over the Administration's request, but \$7.4 million more than Congress appropriated for FY 2002. The Administration requested \$44.7 million for land acquisition, but the bill provides \$38.7 million, which is \$6 million below the FY 2003 request and \$11.2 million below the FY 2002 appropriation. The Committee includes \$179.9 million for land resource management, \$33.8 million for wildlife and fisheries management, \$64.1 million for recreation management, and \$106.3 million for energy and minerals management. The Committee also provides \$654.3 million for Wildland Fire Management, and \$220 million for Payments in Lieu of Taxes.

Fish and Wildlife Service: The Committee provides \$1.28 billion for the Service, \$833,000 less than the Administration's request and \$6.1 million more than the appropriation for FY 2002. The Committee provides \$924.6 million for resource management, which is \$21 million more than the Administration's request and \$74 million more than the amount appropriated for FY 2002. Included in this amount is \$459.7 million for Refuges and Wildlife and \$107.7 million for Fisheries, \$12.9 million more than the Administration's request. In addition, S. 2708 provides \$89 million for land acquisition, which is \$18.6 million more than the budget request.

National Park Service: The Committee provides \$2.37 billion for the National Park Service for FY 2003, \$17.9 million more than the Administration's request and \$6.6 million less than the appropriation for FY 2002. The Committee provides \$1.59 billion for operation of the National Park System, \$500,000 more than the Administration's request and \$98 million more than the FY 2002 appropriation. This includes \$340 million for resource stewardship, \$319.1 million for visitor services, \$533.8 million for maintenance, and \$279.7 million for park support.

For Park Service Land Acquisition and State Assistance, the Committee provides \$238.2 million, which is \$35.9 million less than the FY 2002 appropriation and \$47.9 million less than the budget request.

U.S. Geological Survey: The Committee recommends a total appropriation of \$926.7 million, \$59.3 million more than the Administration's request and \$12.7 million more than FY 2002, for surveys, investigations, and research.

Minerals Management Service (MMS): The Committee recommends \$166.3 million for the MMS, \$2.1 million more than the Administration's request, and \$15.7 million above the amount enacted for FY 2002 for Royalty and Offshore Minerals Management, and recommends an additional \$6.1 million for oil spill research.

Office of Surface Mining Reclamation and Enforcement: The Committee allows \$297.1 million, \$17.7 million more than the Administration's request and \$9.4 million less than the FY 2002 appropriation. This includes \$105.4 million for regulation and technology and \$191.7 million for the Abandoned Mine Reclamation Fund.

Native American Programs

Bureau of Indian Affairs: The Committee provides \$2.27 billion, which is \$25 million more than the Administration's request, and \$48 million more than the amount appropriated for FY 2002. The Committee recommends \$1.44 billion for the Tribal Budget System and \$415.6 million for Bureau of Indian Affairs operations.

Indian Health Service (in Title II): S. 2708 provides \$2.84 billion for the Indian Health Service, which is under the Department of Health and Human Services. The amount is \$24.6 million more than the budget request, and \$81.9 million more than the FY 2002 appropriation. The Committee's recommendation includes \$1.96 billion for clinical services (an amount which is \$14.6 million more than the budget request and \$67.8 million more than the FY 2002 appropriation), and \$374.8 million for Indian Health Facilities.

Other Native American Programs (in Title II): The bill provides \$14.5 million for the Office of Navajo and Hopi Indian Relocation and \$5.1 million for payment to the Institute of American Indian and Alaska Native Culture and Arts Development.

Title II: Related Agencies

For Title II, Related Agencies, the Committee provides \$9.72 billion, \$48.7 million more than the FY 2002 appropriation and \$245.9 million more than the budget request.

U.S. Forest Service (Department of Agriculture): For the Forest Service, the Committee provides \$4.03 billion (including \$290 million in contingent emergency appropriations for wildland fire management). That total amount would be \$103 million less than the FY 2002 appropriation (which included \$346 million in contingent emergency appropriations) and \$79 million more than the budget request. (The Administration did not request contingent emergency funds.) For specific programs, the Committee recommendation includes:

- For the **National Forest System**, the Committee recommends \$1.36 billion, which is \$7.3 million less than the budget estimate and \$27.7 million more than the FY 2002 appropriation. Of

that, the Committee recommends \$252.9 million for Recreation, Heritage, and Wilderness, \$263.8 million for Forest Products, and \$133.5 million for Wildlife, Fish, and Rare Plant Habitat.

- For **Land Acquisition**, the Committee provides \$157.7 million, \$7.9 million more than the FY 2002 appropriation and \$27.2 million more than the budget estimate.
- For **Capital Improvement and Maintenance** (which includes facilities, roads, and trails), the Committee provides \$565.7 million, an increase of \$19.5 million from the FY 2002 appropriation, and \$13.6 million more than requested. Of that, \$235.6 million is for roads and \$175.7 million is for facilities.
- The bill provides \$252.8 million for **Forest and Rangeland Research**, \$11.5 million more than FY 2002 and \$10 million more than the budget request.
- The Committee provides \$313 million for **State and Private Forestry**, \$35.6 million more than the budget request and \$21.8 million more than the FY 2002 appropriation.
- The Committee provides \$1.37 billion for the Forest Service's **Wildland Fire Management**, which includes \$290 million in contingent emergency funding for fire suppression. The amount is \$191 million less than the FY 2002 appropriation and \$153,000 more than the budget request.

Department of Energy

For the Department of Energy programs funded under the appropriation bill, the Committee provides \$1.83 billion, \$64.5 million more than FY 2002 and \$113.8 million more than the budget request.

Fossil Energy R&D: The Committee provides \$641 million for fossil energy research and development, which is \$151.7 million more than the budget request and \$58.2 million more than the FY 2002 appropriation. The Committee recommendation includes:

For Fuel and Power Systems – \$270.2 million, \$45.1 million more than the budget request and \$23.7 million more than the FY 2002 appropriation.

For Natural Gas Technologies – \$48.3 million, \$25.7 million more than the budget request and \$3.1 million more than the FY 2002 appropriation.

For Petroleum–Oil Technology – \$48.3 million, \$12.9 million more than the budget request and \$7.7 million less than the FY 2002 appropriation.

Energy Conservation: S. 2708 provides \$921.7 million for energy conservation, an increase of \$8.9 million from the FY 2002 appropriation and \$20.1 million more than the budget request. For Building Technology, State and Community Sector, the Committee recommends \$394.7 million, \$14.4 million

more than FY 2002 but \$14.1 million less than the budget request. [For a complete description of allocations for energy conservation, see pp.107-109 of the S. Rept. 107-201.]

Strategic Petroleum Reserve: The Committee recommends \$174.9 million for operation of the Strategic Petroleum Reserve, \$6 million more than the budget request and \$4.2 million below the FY 2002 appropriation. The Committee recommends an appropriation of \$7 billion for the acquisition of crude oil for the reserve (the Administration requested \$11 billion).

Cultural Programs

National Endowment for the Arts: The Committee recommends an appropriation of \$118.5 million for grants and administration of the National Endowment for the Arts, \$3.3 million above the FY 2002 appropriation, and \$2 million more than the budget request.

National Endowment for the Humanities: The Committee recommends an appropriation of \$127.8 million, \$3.3 million above the FY 2002 appropriation and \$2 million more than the request.

Smithsonian Institution: The Committee recommends \$538 million for the Smithsonian, \$10 million more than the budget request, and \$19.1 million more than FY 2002.

Title III: General Provisions

The Committee has included 27 provisions that are described beginning on page 75 of the Committee Report and page 110 of the bill text, none of which are new to this bill. They include the Mining Patent Moratorium, renewal of grazing permits on federal lands, and specific directions regarding management and spending. For example, Sec. 302 prohibits the use of any appropriations for publishing or distributing any literature that tends to promote public opposition to or support for any legislative proposals before Congress. Sec. 322 would not allow funds to be used to conduct energy mineral leasing activities with the boundaries of National Monuments except where allowed by the Presidential proclamation creating the monument.

ADMINISTRATION POSITION

No Administration position on S. 2708 had been published at press time, but one was anticipated. A Statement of Administration Policy (SAP) was issued for the House bill, H.R. 5093, as it was presented on July 16, 2002. While the Administration objected to a number of provisions in the

House bill, it expressed support for the bill as reported to the House. With regard to the House action to provide additional fire suppression funds in the bill in FY02 funds, the SAP said:

The Administration strongly objects to the addition to this bill of a FY 2002 supplemental appropriation, which provides \$700 million in contingent emergency funding for fire suppression efforts and requires emergency designation of the entire amount for each agency. While this has been an unusually active fire season thus far, the Administration has a contingency plan for funding a record year of fire suppression spending if necessary. No fire will go unfought this fire season due to lack of funding for fire suppression. The Congress provided both the Forest Service and the Bureau of Land Management with transfer authority that allows them to respond to extraordinary fire suppression needs. Use of such transfer authority is common practice and can be carried out in a manner to minimize programmatic impact. Nevertheless, should Congress seek to add additional contingent emergency funds for FY 2002, the proper place for consideration of this funding is in the context of the pending emergency supplemental.

COST

The Committee, in consultation with the Congressional Budget Office, estimates the bill would result in outlays of \$11.93 billion in FY 2003, \$4.3 billion in FY 2004, \$1.6 billion in FY 2005, \$716 million in FY 2006, and \$363 million in FY 2007 and future years.

POSSIBLE AMENDMENTS

Boxer. Related to California
Outer Continental Shelf oil and gas leases.

RPC Staff contact: John Peschke, 224-2946

Department of the Interior & Related Agencies Appropriations, FY03

(Dollars in thousands; selected items only)

Item	FY 2002 Level	Budget Estimate	House Allowance	Senate Committee
Title I, Department of the Interior				
Bureau of Land Management	\$1,872,597	\$1,825,422	\$2,108,742	\$1,880,042
U.S. Fish and Wildlife Service	\$1,276,424	\$1,283,364	\$1,397,891	\$1,282,531
National Park Service	\$2,380,074	\$2,355,561	\$2,395,139	\$2,373,444
United States Geological Survey	\$914,002	\$867,338	\$928,405	\$926,667
Minerals Management Service	\$156,772	\$170,327	\$170,826	\$172,427
Office of Surface Mining Reclamation and Enforcement	\$306,530	\$279,402	\$290,402	\$297,112
Bureau of Indian Affairs	\$2,222,876	\$2,245,804	\$2,270,758	\$2,270,829
Departmental Offices	\$367,144	\$423,535	\$392,302	\$423,814
Total, Title I, Department of the Interior	\$9,496,419	\$9,450,753	\$9,954,175	\$9,626,866
Title II, Related Agencies				
Forest Service (USDA)	\$4,130,416	\$3,948,711	\$4,645,250	\$4,027,880
Department of Energy	\$1,766,470	\$1,717,241	\$1,892,643	\$1,830,991
Indian Health Service	\$2,759,101	\$2,816,406	\$2,900,621	\$2,841,045
Smithsonian Institution	\$518,860	\$527,960	\$527,960	\$537,960
National Gallery of Art	\$85,335	\$94,449	\$94,449	\$94,449

National Foundation on the Arts and the Humanities	\$266,637	\$242,243	\$257,543	\$246,243
Grand Total, Fiscal Year 2002	\$19,167,770	\$18,938,916	\$20,414,125 *	\$19,346,920

* Source for House figures: House Appropriations Committee/Congressional Research Service; note that the grand total figure includes \$700 million in FY 2002 funds for fire suppression.